SCHEDULE EC
(FORM ET-1)

Alabama Department of Revenue

Excise Credits

ATTACH TO FORM ET-1

2026

*Business Credits must be submitted through My Alabama Taxes (MAT) before completion of the Schedule EC. See instructions for submission details.

NAME(S) AS SHOWN ON FORM ET-1	FEDERAL EMPLOYER IDENTIFICATION NUMBER

SECTION A	Current Tax Period Liability. Enter Alabama Financial Institution Excise Tax due from Form ET-1, page 1, line 16 here . . . . •	

SECTION B   **CURRENT YEAR CREDITS – Pre-Distribution**

Part A — Alabama Taxes Used As Credits

A1.	Sales Taxes: Supplies, etc..	•A1	
A2.	Furniture, Fixtures	•A2	
A3.	Use Taxes.	•A3	
A4.	State Tax on Utilities	•A4	
A5.	State Tax on Telephone	•A5	
A6.	Other Allowable Taxes	•A6	
A7.	Add lines A1 through A6. CREDIT ALLOWABLE.	•A7	

A8.	TOTAL ALABAMA TAXES USED AS CREDITS UTILIZED. If A7 is less than (<) Section A, enter the amount from A7 on A8.		
	If A7 is greater than (>) Section A, enter the amount from Section A on A8 and zero (0) on A9.	•A8	
A9.	Remaining Tax Liability Due: If Section A is greater than (>) A8, enter the difference on A9 (Section A - A8 = A9) and proceed to Part B.	•A9	

Part B — Full Employment Act of 2011 Credit*

Were you in business with 50 or fewer full and/or part-time employees on June 9, 2011?   • ☐ Yes   • ☐ No   If "No", you do not qualify for this credit.

B1.	Number of full time employees on 12-31-2024	•B1	
B2.	Number of full time employees on 12-31-2023	•B2	
B3.	Subtract line B2 from line B1.	•B3	
B4.	Number of qualifying new employees from line B3 that completed their first 12 months of service in 2025	•B4	
B5.	Multiply line B4 by $1,000. CREDIT ALLOWABLE.	•B5	

B6.	TOTAL FULL EMPLOYMENT ACT CREDIT UTILIZED. If B5 is less than (<) A9, enter the amount from B5 on B6.		
	If B5 is greater than (>) A9, enter the amount from A9 on B6 and zero (0) on B7.	•B6	
B7.	Remaining Tax Liability Due: If Section B, Part A, Line A9 is greater than (>) B6, enter the difference on B7		
	(Section B, Part A, Line A9 - B6 = B7) and proceed to Part C.	•B7	

Part C — Investment Credit (Alabama Jobs Act)*

C1.   Enter the information requested for each project.

	Project Number:		Amount of Credit:	
•C1a.		**C1a**		
•C1b.		**C1b**		
•C1c.		**C1c**		

C2.	Credit Allowable. Total Investment Credit (Alabama Jobs Act). Enter the sum of all project credits.	• C2	

C3.	TOTAL INVESTMENT CREDIT (ALABAMA JOBS ACT) UTILIZED. If C2 is less than (<) B7, enter the amount from C2 on C3.		
	If C2 is greater than (>) B7, enter the amount from B7 on C3 (Section B, Part B, Line B7 = C3) and zero (0) on Section C, Line 2	•C3	
C4.	If C2 is greater than (>) C3, this is the amount of Investment Credit (Alabama Jobs Act) remaining to CARRYFORWARD		
	Enter the amount on C4 and zero (0) on Section C, Line 2	• C4	
C5.	Remaining Tax Liability Due: If Section B, Part B, Line B7 is greater than (>) C3, enter the difference on C5		
	(Section B, Part B, Line B7 – C3 = C5) and proceed to Part C, Line C6	•C5	

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NAME(S) AS SHOWN ON FORM ET-1	FEDERAL EMPLOYER IDENTIFICATION NUMBER

C6. Enter the information requested for Investment Credit (Alabama Jobs Act) Credit Carry Forward Prior Years.

Project Number:	**Year Carryforward Generated** MM/DD/YYYY	**Amount of Credit:**
•C6a. _____		•C6a _____
•C6b. _____		•C6b _____
•C6c. _____		•C6c _____

C7. CREDIT ALLOWABLE PRIOR YEAR CREDIT CARRYFORWARD. Total Investment Credit (Alabama Jobs Act).

Enter the sum of all prior year credits . . . . • C7

C8. TOTAL INVESTMENT CREDIT (ALABAMA JOBS ACT) PRIOR YEAR CREDIT CARRYFORWARD UTILIZED.

If C7 is less than (<) C5, enter the amount from C7 on C8. If C7 is greater than (>) C5, enter the amount from C5 on C8 and zero (0) on C9. . . . . •C8

C9. Alabama Financial Institution Excise Tax less Pre-Distribution Credits (Net Alabama Financial Institution Excise Tax):

If C5 is greater than (>) C8, enter the difference on C9 (C5 – C8 = C9). . . . . •C9

SECTION C   Allocable Amount to General Fund

1. Net Alabama Financial Institution Excise Tax less Pre-Distribution Credits multiplied by 50% (C9 x .50). . . . . • 1

2. **Total Amount allocated to General Fund.** Enter amount here and Section E, Part D, Column 3 . . . . • 2

SECTION D   CURRENT YEAR CREDITS – Limited to the General Fund Portion of Distribution

Part D — Veterans Employment Act. Employer Credit*

D1. Number of unemployed veterans included in Section B, Part B, line B4 . . . . • D1

D2. CREDIT ALLOWABLE. Multiply line D1 by $2,000. Enter here and Section E, Part D, Column 2. . . . . •D2

Part E — 2013 Alabama Historic Rehabilitation Tax Credit*

E1. Enter the information from the Alabama Historic Commission Tax Credit Certificate for each project.

Project Number:	**Date Placed In Service:**	**Amount of Credit:**
• E1a. _____		
• E1b. _____		
• E1c. _____		

E2. CREDIT ALLOWABLE. Total 2013 Alabama Rehabilitation Tax Credit. Enter the sum of all project credits.

Enter here and Section E, Part E, Column 2. . . . . •E2

Part F – Growing Alabama Credit*

F1. • Name of Economic Development Organization _____

F2. Pro rata share of credit from Schedule K-1 . . . . •F2

• FEIN of entity_____ (if credit from more than one entity, attach schedule)

F3. Amount approved for contribution . . . . •F3

F4. CREDIT AVAILABLE. Add F2 and F3. . . . . •F4

F5. MAXIMUM CREDIT ALLOWABLE. Multiply Total Amount allocated to General Fund (Section C, line 2) by 50% (.50). Enter here . . . . . . •F5

F6. CREDIT ALLOWABLE. Total Growing Alabama Credit. Enter the lesser of line F4 or line F5 here and Section E, Part F, Column 2. . . . . •F6

F7. MAXIMUM CREDIT ALLOWABLE FOR PRIOR YEAR CREDIT CARRYFORWARD. Subtract line F6 from line F5.

Enter here and line F8a, column 3. . . . . •F7

NAME(S) AS SHOWN ON FORM ET-1 | FEDERAL EMPLOYER IDENTIFICATION NUMBER

F8. Calculation of Allowable Prior Year Credit Carryforward - enter here and on Section F. If Part F, line F7 is equal to zero, do not complete this section.

	Column 1 Credit Year (MM/DD/YYYY)	Column 2 Credit Carryforward Available	Column 3 Credit Limitation (Line F8a, Col. 3 equals line F7. Lines F8b, F8c, F8d and F8e, Col. 3 equal Col. 5, prior row)	Column 4 Maximum Credit Carryforward Available this Year (lesser of Col. 2 or Col. 3)	Column 5 Unused Credit Limitation (Col. 3 minus Col. 4)	
•F8a						
•F8b						
•F8c						
•F8d						
•F8e						
F8f	Maximum Credit Carryforward Available. Sum of Column 4, line F8a, F8b, F8c, F8d, and F8e.				•F8f	

Part G – Innovate Alabama Credit*

G1. • Name of Economic Development Organization _____

G2. Pro rata share of credit from Schedule K-1 . . . . •G2 _____

   • FEIN of entity_____ (if credit from more than one entity, attach schedule)

G3. Enter the amount approved by Innovate Alabama. . . . . •G3 _____

G4. CREDIT AVAILABLE. Add line G2 and G3. . . . . •G4 _____

G5. MAXIMUM CREDIT ALLOWABLE. Multiply Total Amount allocated to General Fund (Section C, line 2) by 50% (.50). Enter here . . . . . . •G5 _____

G6. CREDIT ALLOWABLE. Total Innovate Alabama Credit. Enter the lesser of line G4 or line G5. Enter here and Section E, Part G, Column 2. . . . . •G6 _____

G7. MAXIMUM CREDIT ALLOWABLE FOR PRIOR YEAR CREDIT CARRYFORWARD. Subtract line G6 from line G5.

   Enter here and on line G8a, Column 3. . . . . •G7 _____

G8. Calculation of Allowable Prior Year Credit Carryforward - enter here and on Section F. If Part G, line G7 is equal to zero, do not complete this section.

	Column 1 Credit Year (MM/DD/YYYY)	Column 2 Credit Carryforward Available	Column 3 Credit Limitation (Line G8a, Col. 3 equals line G7. Lines G8b, G8c, G8d, and G8e, Col.3 equal Co. 5, prior row)	Column 4 Maximum Credit Carryforward Available This Year (Lesser of Col. 2 or Col. 3)	Column 5 Unused Credit Limitation (Col. 3 minus Col. 4)	
•G8a						
•G8b						
•G8c						
•G8d						
•G8e						
G8f	Maximum Credit Carryforward Available. Sum of Column 4, line G8a, G8b, G8c, G8d, and G8e				•G8f	

Part H — Alabama Workforce Housing Tax Credit. (Any unused Alabama Workforce Housing Tax Credit may be carried forward for a maximum of 5 years.)

H1 • Project Name _____

H2 • Project Number _____

H3 Pro rata share of credit from Schedule K-1. . . . . • H3 _____

   • FEIN of entity _____ (if credit from more than one entity, attach schedule)

H4 Enter amount from Alabama Workforce Housing Credit Certificate issued by Alabama Housing Finance Authority. . . . . • H4 _____

H5 CREDIT ALLOWABLE. Total Alabama Workforce Housing Credit. Add line H3 and line H4. Enter here and Section E, Part H, Column 2. . . . . • H5 _____

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Part I — Employer Tax Credit*

I1	Pro rata share of credit from Schedule K-1..	• I1	
	● FEIN of entity _____ (if credit from more than one entity, attach schedule)		
I2	Enter amount from Employer Tax Certificate issued by Department of Revenue.	• I2	
I3	CREDIT ALLOWABLE. Total Employer Tax Credit. Add line I1 and line I2. Enter here and Section E, Part I, Column 2.	• I3	

Part J — Childcare Facility Tax Credit*

J1	Pro rata share of credit from Schedule K-1..	• J1	
	● FEIN of entity _____ (if credit from more than one entity, attach schedule)		
J2	Enter amount from Childcare Facility Tax Credit Certificate issued by Department of Revenue.	• J2	
J3	CREDIT ALLOWABLE. Total Childcare Facility Tax Credit. Add line J1 and line J2. Enter here and Section E, Part J, Column 2.	• J3	

Part K — Employer Provider Credit* for employers who are childcare providers.

K1	Pro rata share of credit from Schedule K-1..	• K1	
	● FEIN of entity _____ (if credit from more than one entity, attach schedule)		
K2	Enter amount from Employer Provider Credit Certificate issued by Department of Revenue.	• K2	
K3	CREDIT ALLOWABLE. Total Employer Provider Credit. Add line K1 and line K2. Enter here and Section E, Part K, Column 2.	• K3	

Part L — Income Tax Capital Credit - Form AR-C must be filed on MAT. See Instructions*

Check the box if the financial institution received a Form KRCC and completed a Schedule KRCC-B:

● ☐ KRCC received (must attach Form KRCC)   ● ☐ KRCC-B completed (must attach Schedule KRCC-B)

L1.   Enter the information requested for each project.

Project Number:	**Amount of Credit:**
● L1a. _____	
● L1b. _____	
● L1c. _____	
● L1d. _____	
● L1e. _____	
● L1f. _____	
● L1g. _____	

L2.   CREDIT ALLOWABLE. Total Capital Credit Available. Enter the sum of all project credits. Enter here and Section E,
Section E, Part L, Column 2. .... ●L2

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SECTION E Current Credit Summary

Enter Total Amount allocated to General Fund due from Section C, line 2 on the current credit summary, Part D, Column 3. To calculate the Current Credit Summary, repeat the steps that follow for each row: In Column 2, enter the Credit Allowable from Section D. Subtract the Credit Allowable from the Remaining Tax to be Offset. If the Credit Allowable is greater than the amount in Column 3, enter the amount from Column 3 in Column 4. If the Remaining Tax to be Offset is greater than Column 2, enter the Credit Allowable (Column 2) in Column 4 and enter the difference of Column 3 and Column 4 in Column 5 and proceed to the next available credit. For the remaining rows, use the preceding Tax Remaining after Credit from Column 5 as the Remaining Tax to be Offset in Column 2. To compute the Credit Carryforward (Column 6) in the Current Credit Summary, for each credit listed, subtract the Amount Utilized (Column 4) from the Credit Allowable (Column 2), and enter difference in Column 6.

	Column 1 Type of Credit	Column 2 Credit Allowable	Column 3 Remaining Tax to be Offset	Column 4 Amount Utilized	Column 5 Tax Remaining After Credit (Col. 3 – Col. 4)	Column 6 Credit Carryforward (Col. 2 – Col. 4)
Part D •	Veterans Employment Act – Employer Credit					
Part E •	2013 Alabama Historic Rehabilitation Tax Credit					
Part F •	Growing Alabama Credit					
Part G •	Innovate Alabama Credit					
Part H •	Alabama Workforce Housing Tax Credit					
Part I •	Employer Tax Credit					
Part J •	Childcare Facility Tax Credit					
Part K •	Employer Provider Credit					
Part L •	Income Tax Capital Credit					
Total Current Credits . . . . •					

SECTION F Credit Carry Forward Prior Years

For each carryforward available for utilization listed below, repeat the steps that follow: Subtract the Remaining Tax to be Offset (Section E, Part I, Column 5) from the Allowable Credit Carryforward (Section F, Column 6). If the Remaining Tax to be Offset is less than or equal to the Allowable Credit Carryforward, enter the Remaining Tax to be Offset in Column 7 and enter the excess of the Amount Available to use this Period in Column 8. If the Remaining Tax to be Offset is greater than Section F, Column 6, enter the Allowable Credit Carryforward to use this Period in Column 7 and enter the difference of the Remaining Tax to be Offset and the Amount used this Period in Column 9, then proceed to the next available prior year credit. For the remaining rows, the Amount used this Period in Column 7 is limited to the Remaining Tax to be Offset in Column 9 of the preceding row.

NOTE: For the Growing Alabama and Innovate Alabama Credit carryforward computation, the Allowable Credit Carryforward in Column 6 is limited to the Maximum Credit Carryforward Available This Year in Column 4 of Section D, Part F, Line F8f and Section D, Part G, line G8f, respectively. All other credits, Column 6 equals Column 5.

	Column 1 Type of Credit	Column 2 Year Carryforward Generated (MM/DD/YYYY)	Column 3 Amount of Credit	Column 4 Amount used in years prior to this Period	Column 5 Amount available to use this Period (Col. 3- Col. 4)	Column 6 *Allowable Credit Carryforward	Column 7 *Amount used this Period	Column 8 Remaining unused Credit Carryforward (Col. 5 - Col. 7)	Column 9 Remaining Tax to be Offset
• 1									
• 2									
• 3									
• 4									
• 5									
• 6									
• 7									
• 8									
• 9									
•10									
Total Prior Year Credit Carryforward . . . . •								